

Report for 1st half-year, 2007 - Fionia Bank A/S Group

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Odense, 14 August 2007

Before-tax profit for 1st half-year up 24 percent to 171 million

Fionia Bank A/S has posted a before-tax profit of DKK 171 million for the first half-year of 2007, 24 percent up on the 2006 figure of DKK 138 million. The bank's before-tax profit forecast for the full year remains unchanged at DKK 330 million.

The effects of the abolition of several Fionia Bank fees and the continuing fall in the interest margin were outweighed by good growth in core earnings, driven by higher business volumes. Core earnings rose by over 10 percent to almost DKK 305 million. This is before trading earnings of DKK 159 million, which were 18 percent up on the same period in 2006.

Deposits and lendings in the period both increased by 29 percent, bringing the current total figures to DKK 18.4 billion for lendings and DKK 13.5 billion for deposits. The lendings portfolio is still of good quality, with provisions during the period decreasing to DKK 5.2 million, as compared with DKK 14.6 million for 2006.

The pleasing growth in profit was partly based on the bank's major investment in raising skill levels, in both general advisory services and specialised expertise in priority sectors. A total of 54 new employees were recruited during the period, bringing the bank's average workforce to 612 employees, up from 558 in the prior year.

Expenses were up by 11 percent, reflecting expected cost increases from the bank's focus on providing a high level of consulting services and developing a strong base of knowledge in specialist sectors, and higher costs for IT and risk management systems.

Fionia Bank established the Fionia Invest investment fund in April, with total assets of approximately DKK 1.7 billion. The new fund is designed to replace and modernise the investment pools, which were dissolved as of 30 June 2007. The fund assets have since grown by about 18 percent to over DKK 2 billion. One of the impacts on the bank has been an improvement of approximately 0.5 percent in the capital adequacy ratio.

Inclusive of the half-year profit, the bank now has a total capital adequacy ratio of 11.1 percent, and 8.4 percent on tier I capital.

Any questions should be addressed to the bank's General Manager, Finn B. Sørensen, phone 65 20 40 60.

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All amounts in DKK

The breakdown of the before-tax profit of DKK 171 million between core result and profit on holdings is as follows:

(million DKK.)	2007	2006
Core income excl. trading income	304.6	276.5
Trading income	158.9	134.7
<i>Total core income</i>	<i>463.5</i>	<i>411.2</i>
Costs and depreciations	283.9	256.2
Core profit before provisions	179.6	155.0
Provisions on loans and receivables	5.2	14.6
Core profit	174.4	140.4
Investment portfolio profit	-3.1	-2.0
Profit before tax	171.3	138.4
Tax	42.0	38.3
Profit after tax	129.3	100.1

Trading income comprises fees from primary transactions in securities, foreign exchange and the money market, including returns from associated portfolios, and after funding costs.

The profit on holdings comprises the return on the bank's own portfolio, including associated portfolios, after funding and operating costs.

Core result

Core earnings before trading earnings were DKK 304.6 million, 10.2 percent up on the same period in 2006.

(DKK million)	2007	2006
Interest income, net	241.2	218.7
Fees and commissions, net	52.5	49.0
Other income	10.9	8.8
Total	304.6	276.5

The growth in the volume of activity was high enough to offset the continuing decline in the interest, and to ensure a higher profit than in the same period last year. It should be noted that the higher lendings have largely been funded by commensurate growth in deposits. Total lendings rose by 29 percent, to DKK 18.4 billion. The business sector accounted for most of this growth. Total guarantees were DKK 5.1 billion, as compared with the prior year figure of DKK 4.7 billion – an increase of 8 percent. Deposits rose by 29 percent to DKK 13.5 billion.

Trading earnings increased by 18 percent to DKK 158.9 million, as against DKK 134.7 million in 2006.

(DKK million)	2007	2006
Trading	131.8	106.2
Portfolio management	27.1	28.5
Total	158.9	134.7

The increase in trading earnings is mainly based on stronger cash returns on the bank's equity. Earnings on customer equities trading improved on the same period last year, thanks to a high and increasing level of activity in this sector. This contrasts with slightly lower earnings from customer bonds trading, as the result of a generally lower level of market activity caused by the increases in interest rates.

Core expenses and depreciation on tangible assets were DKK 283.9 million, as compared with DKK 256.2 million in 2006. This is an increase of 10.8 percent, or DKK 27.7 million.

(DKK million)	2007	2006
Personnel expenses	161.4	146.0
Other administration and operating expenses	116.7	100.4
Writedowns on tangibles assets	5.8	9.8
Total	283.9	256.2

Most of this increase is based on the staff establishment, which is up by 54 to an average of 612. The average for the 1st half-year of 2006 was 558.

Apart from the growth in staff numbers, the increase in other administrative and operating expenditure reflected continuing higher IT expenses for risk management systems, including the new legal and sector requirements.

Provisions The continuing good quality of the bank's portfolio brought provisions for the period down to DKK 5.2 million.

The core result including depreciation and amortisation was DKK 174.4 million, as compared with DKK 140.4 million in 2006, an increase of 24.2 percent.

Profit on holdings

The profit on holdings was DKK -3.1 million, as compared with DKK -2.0 million for the same period in 2006.

(DKK million)	2007	2006
Income on holdings	-1.0	0.8
Costs	2.1	2.8
Total	-3.1	-2.0

The trend of profit on holdings was affected by two factors acting in opposite directions. Earnings on the equities portfolio were very satisfactory. However, this was more than offset by the impacts of higher interest rates, which significantly affected returns in the 2nd quarter. The total return was higher than the yield for the market overall.

After-tax profit

The after-tax profit was DKK 129.3 million, resulting in a net asset value per share of DKK 1,055. The tax rate was reduced from 28 to 25 percent during the period, with the operational change in deferred tax being accrued over the entire financial year. The total tax provision for the period is DKK 42.0 million, including DKK 0.7 million of accrued deferred tax. The total effective tax rate was 24.5 percent.

Pension investment pools

Customer pension investment pools have now been transferred for investment via Fionia Invest. They recorded a positive net return of DKK 28.3 million up to the changeover date, as compared with the prior year return of DKK -4.2 million.

Capital and solvency situation

The overall capital adequacy ratio as at 30 June 2007 is calculated according to the transitional rules. This means that half of the calculated amount for deductions for investments is now to be charged to tier I capital, and the other half to the capital base. Previously, the entire deduction was charged to the capital base. This change in allocation rules means that we have a lower tier I capital ratio, but there is no impact on the overall capital adequacy ratio.

The total capital adequacy ratio is 10.5 percent, and the tier I capital ratio 7.9 percent. The total capital adequacy ratio including the half-year profit is 11.1 percent.

Subordinated debt at 30 June 2007 was DKK 876.8 million. The capital base on 30 June 2007, after deductions, was DKK 2,546.3 million, excluding the profit for the period.

Fionia Bank's equity at 30 June 2007 was DKK 1,905.8 million, calculated inclusive of the after-tax profit.

Financial calendar for 2007

Quarterly report for quarters 1-3 of 2007 23 October

Fionia Bank Group

Income statement summary (DKK m.)

	1. st half 2007	1. st half 2006	Year 2006
Net interest income	286.1	233.7	501.2
Dividends on shares	16.1	11.4	13.2
Fees and commissions income (net)	110.4	101.9	193.9
Net interest and fees income	412.6	347.0	708.3
Value adjustments	39.1	56.3	167.8
Other operating income	10.9	5.9	17.0
Result before costs	462.5	409.2	893.1
Staff and administration expenses and depreciation	286.0	259.0	515.4
Provisions on lendings and receivables, etc.	5.2	14.6	-39.0
Result from activities being wound up	0.0	2.9	3.0
Before-tax profit on ordinary activities	171.3	138.4	419.8
Tax	42.0	38.3	96.0
After tax profit	129.3	100.1	323.7
Of which minority interests	0.4	0.0	0.0

Balance Sheet highlights (DKK million)

Lendings	18,449	14,274	16,471
Deposits excl.deposits in investment pool schemes	13,482	10,458	10,879
Deposits in investment pool schemes	0	1,285	1,565
Bonds issued	1,118	656	632
Subordinated debt	877	658	810
Equity	1,906	1,581	1,845
Balance	28,653	26,391	29,276

Solvency and capital:

Total capital adequacy ratio	10.5	10.3	11.4
Tier 1 capital adequacy ratio	7.9	8.6	9.2

Earnings:

Before-tax return on equity on year basis	18.3	17.8	24.8
After-tax return on equity on year basis	13.8	12.8	19.1
Earnings per DKK of expenses	1.59	1.50	1.87

Market risk:

Interest rate risk	4.3	4.2	2.9
Foreign currency risk	0.1	0.0	0.1

Credit risk:

Cumulative provision percentage	1.1	1.8	1.3
Provision percentage for the period	0	0	0
Av. number of full-time employees	612	557	574

Fionia Bank

Key indicators share (DKK per share of DKK 100)

Before-tax profit	94.8	76.3	240.8
After tax profit	71.4	55.4	189.4
Diluted earnings per share after tax	71.4	55.4	189.4
Share price at end of year	1,715	1,384	1,600
NAV per share	1,055	874	1,022
Share price/NAV per share	1.63	1.58	1.57

Board of Directors and Management Board statement

The Board of Directors and Management Board have today discussed and approved the half-year report for the Fionia Bank A/S group for the period from 1 January-30 June 2007.

The half-year report is submitted in accordance with IAS 34, the Danish Financial Services Act and other Danish disclosure requirements for listed company half-year reports for financial companies listed on the Stock Exchange. The half-year report has not been audited or reviewed.

We believe that the accounting policies followed are appropriate, so that the half-year report provides a true and fair view of the group's assets, liabilities and financial situation as at 30 June 2007, and of the result of the group's and parent company's activities and the group's cash flow for the 1st half of 2007.

Odense, 14 August 2007

Management Board

Finn B. Sørensen

Board of Directors

Bo Stærmose

Børge Obel

Tom Foged-Pedersen

Knud Gether

Erik Granhøj Hansen

Nina Dietz Legind

Ole Madsen

Pia Lærke Petersen

Ole Rasmussen

Accounting policies

The half-year report for the 1st half of 2007 has been prepared in accordance with IAS 34 on the presentation of part-year reports and other Danish requirements regarding part-year reports for listed companies. The accounting policies for the half-year report are the same as for the 2006 annual report, which contains a full description of those policies.

As of the date of publication of this half-year report, a number of new and modified accounting standards – including IFRS 27 on disclosures regarding financial instruments – and interpretation guidelines have come into force. The application of these new and modified accounting standards and interpretations has not led to any changes in accounting policies in terms of recognition and measurement. The application of IFRS 27 in the 2007 annual report will require some changes and additions to the information to be provided in the Notes section regarding financial instruments. IFRS27 does not have any impact on the half-year report.

The measurement of some assets and liabilities requires a management estimate of the impact of future events on their value. Estimates of significant importance for financial reporting include those required for calculating provisions for impaired lendings, the fair value of unlisted financial instruments, and provisioned liabilities – see detailed comments in the 2006 annual report. The estimates applied in this report are based on what the management regards as conservative assumptions.

The Fionia Bank half-year report has not been audited.

Profit and loss account

(DKK m.)	Fionia Bank A/S Group		Fionia Bank A/S	
	30.06.2007	30.06.2006	30.06.2007	30.06.2006
Note				
1. Interest income	679.1	463.4	679.1	463.4
2. Interest expenses	393.1	229.7	393.3	229.8
Net interest income	286.1	233.7	285.9	233.6
Share dividends etc.	16.1	11.4	16.1	11.4
3. Fees and commissions income	119.6	109.7	119.6	109.7
Fees and commissions expenses	9.1	7.8	9.1	7.8
Net interest and fees income	412.6	347.0	412.4	347.0
4. Value adjustments	39.1	56.3	39.1	56.3
Other operating income	10.9	5.9	6.5	4.8
5. Staff and administrative expenses	280.2	248.9	277.6	250.5
Amortisation, depreciation and write-downs on intangible and tangible assets	5.8	9.8	4.7	9.0
Other operating expenses	0.0	0.3	0.0	0.3
6. Provisions on lendings and receivables, etc.	5.2	14.6	5.2	14.6
Value adjustments for affiliated undertakings	0.0	0.0	0.5	1.4
Result from activities being wound up	0.0	2.9	0.0	2.9
Before-tax profit	171.3	138.4	171.0	137.9
Tax	42.0	38.3	42.0	37.8
Profit	129.3	100.1	128.9	100.1
To be broken down as follows				
The Fionia Bank A/S shareholders	128.9	100.1		
Minority shareholders	0.4	0.0		
	129.3	100.1		
Earnings per share (DKK)			71.4	55.4
Earnings per share (diluted) (DKK)			71.4	55.4
The calculation is based on the average number of shares adjusted for own shares			1,805.2	1,807.3

Balance sheet

(DKK m.)	Fionia Bank A/S Group			Fionia Bank A/S		
	30.06.2007	30.06.2006	31.12.2006	30.06.2007	30.06.2006	31.12.2006
Note						
Assets						
Cash in hand and demand credit balances at central banks	156.5	710.8	513.6	156.5	710.8	513.5
Credit balances at credit institutions and central banks	4,365.5	2,885.9	4,382.8	4,365.5	2,885.9	4,382.8
Lendings and other receivables at fair value	42.7	105.9	121.3	42.7	105.9	121.3
Lendings and other receivables at amortised historical cost	18,406.4	14,167.9	16,350.0	18,406.4	14,167.9	16,350.0
Bonds at fair value	4,295.7	5,982.2	5,192.8	4,295.7	5,982.2	5,192.8
Shares etc.	768.3	547.3	572.0	768.3	547.3	572.0
Investments in associated undertakings	0.3	0.0	0.0	0.3	0.0	0.0
Investments in group enterprises	0.0	0.0	0.0	103.7	78.1	103.1
Assets relating to investment pool schemes	0.0	1,209.9	1,440.0	0.0	1,209.9	1,440.0
Land and buildings, total	238.6	178.1	233.5	134.4	105.2	134.5
Investment property	0.2	4.4	0.2	0.2	4.4	0.2
Domiciliary property	238.3	173.7	233.2	134.1	100.7	134.2
Other tangible assets	23.1	21.4	19.5	23.0	20.3	19.3
Deferred tax assets	13.2	19.5	15.7	14.3	19.1	16.9
Temporarily acquired assets	0.0	0.5	0.0	0.0	0.5	0.0
Other assets	323.6	547.9	420.2	323.5	547.7	420.2
Prepayments	19.1	13.9	14.5	19.1	13.9	14.3
Total assets	28,653.1	26,391.0	29,275.9	28,653.3	26,394.4	29,280.8
Liabilities and shareholders' funds						
Liabilities						
banks	7,931.6	9,013.4	9,855.8	7,931.6	9,013.4	9,855.8
Deposits and other liabilities	13,482.0	10,457.9	10,879.3	13,484.9	10,463.1	10,885.4
Deposits in investment pool schemes	0.0	1,285.3	1,565.2	0.0	1,285.3	1,565.2
Bonds issued at amortised historical cost	1,117.8	656.3	632.2	1,117.8	656.3	632.2
Current tax liabilities	16.2	41.3	22.3	14.9	39.5	21.1
Other liabilities	3,282.2	2,651.4	3,599.6	3,281.6	2,651.3	3,599.7
Deferred income	11.7	11.7	10.1	11.6	11.7	10.1
Total liabilities	25,841.5	24,117.3	26,564.5	25,842.4	24,120.7	26,569.5
7. Allocations for liabilities	28.9	34.2	56.2	28.8	34.2	56.2
8. Subordinated debt	876.8	658.3	810.2	876.8	658.3	810.2
Equity						
Share capital	181.4	181.4	181.4	181.4	181.4	181.4
Accumulated changes in value	84.3	36.7	84.3	66.1	36.7	66.1
Revaluation reserves	84.3	36.7	84.3	66.1	36.7	66.1
Other reserves	704.8	696.5	704.8	723.0	696.5	723.0
Statutory reserves	50.7	42.4	50.7	68.9	42.4	68.9
Other reserves	654.1	654.1	654.1	654.1	654.1	654.1
Profits or losses brought forward	934.8	666.7	874.4	934.8	666.7	801.8
Proposed dividend	0.0	0.0	0.0	0.0	0.0	72.6
Minority interests	0.5	0.0	0.1	0.0	0.0	0.0
Total equity	1,905.8	1,581.3	1,845.0	1,905.3	1,581.3	1,844.9
Total liabilities and shareholders' equity	28,653.1	26,391.0	29,275.9	28,653.3	26,394.4	29,280.8

(DKK m.)

Capital structure - Fionia Bank A/S

Changes in capital	Share capital	Revaluation reserves	Other reserves	Retained earnings	Total
Equity at the start of 2006	181.4	36.7	696.5	623.8	1,538.4
Profit for the year				100.1	100.1
Total income				100.1	100.1
Dividends paid				-63.2	-63.2
Purchase of own shares				-121.2	-121.2
Sale of own shares				127.3	127.3
Equity at the end of June 2006	181.4	36.7	696.5	666.7	1,581.3
Equity at the start of 2007	181.4	66.1	723.0	874.4	1,844.9
Profit for the year				128.9	128.9
Total income				128.9	128.9
Dividends paid				-72.3	-72.3
Purchase of own shares				-98.4	-98.4
Sale of own shares				102.3	102.3
Equity at the end of June 2007	181.4	66.1	723.0	934.8	1,905.3

The share capital comprises 1,814,052 shares of DKK 100. The shares are issued in one serie.

Fionia Bank A/S holdings of own shares	Number	Face value	Total purchase/ sale price	Percent
Holding of own shares at the start of 2006	8,953	895,300		0.5
Shares acquired during the year	81,803	8,180,300	121.2	4.5
Shares disposed of during the year	86,105	8,610,500	127.3	4.7
Holding of own shares at the end of June 2006	4,651	465,100		0.3
Holding of own shares at the start of 2007	9,433	943,300		0.5
Shares acquired during the year	58,619	5,861,900	98.4	3.2
Shares disposed of during the year	60,802	6,080,200	102.3	3.4
Holding of own shares at the end of June 2007	7,250	725,000		0.4

Acquisitions and disposals of own shares are carried out as part of the bank's general trading operations with securities and its customers.

Capital structure - Fionia Bank A/S group

Changes in capital	Share capital	Revaluation reserves	Other reserves	Retained earnings	Total	Minority interests	Total
Equity at the start of 2006	181.4	36.7	696.5	623.8	1,538.4	0.0	1,538.4
Profit for the year				100.1	100.1		100.1
Total income				100.1	100.1	0.0	100.1
Dividends paid				-63.2	-63.2		-63.2
Purchase of own shares				-121.2	-121.2		-121.2
Sale of own shares				127.3	127.3		127.3
Equity at the end of June 2006	181.4	36.7	696.5	666.7	1,581.3	0.0	1,581.3
Equity at the start of 2007	181.4	84.3	704.8	874.4	1,844.9	0.1	1,845.0
Profit for the year				128.9	128.9	0.4	129.3
Total income				128.9	128.9	0.4	129.3
Dividends paid		0.0		-72.3	-72.3		-72.3
Purchase of own shares				-98.4	-98.4		-98.4
Sale of own shares				102.3	102.3		102.3
Equity at the end of June 2007	181.4	84.3	704.8	934.9	1,905.3	0.5	1,905.8

Segment information

	Fionia Bank A/S Group			Fionia Bank A/S		
	Core earnings		Investment	Core earnings		Investment
(DKK m.)	incl.	incl.	portfolio	incl.	incl.	portfolio
	trading income	trading income	income	trading income	trading income	income
			Total *			Total *
Income statement	30.06.2007					
Net interest income	289.0	-2.9	286.1	288.8	-2.9	285.9
Dividends on shares	11.3	4.8	16.1	11.3	4.8	16.1
Fees and commission income (net)	111.3	-0.9	110.4	111.3	-0.9	110.4
Net interest and fees income	411.6	1.0	412.6	411.4	1.0	412.4
Value adjustments	41.1	-2.0	39.1	41.1	-2.0	39.1
Other operating income	10.9		10.9	6.5		6.5
Operating expenses and depreciation	283.9	2.1	286.0	280.2	2.1	282.3
Provisions on lendings etc.	5.2		5.2	5.2		5.2
Value adjustments for affiliated undertakings	0.0		0.0	0.5		0.5
Before-tax profit on ordinary activities	174.4	-3.1	171.3	174.1	-3.1	171.0
Income statement	30.06.2006					
Net interest income	235.1	-1.4	233.7	235.0	-1.4	233.6
Dividends on shares	6.7	4.7	11.4	6.7	4.7	11.4
Fees and commission income (net)	102.8	-0.9	101.9	102.8	-0.9	101.9
Net interest and fees income	344.6	2.4	347.0	344.6	2.4	347.0
Value adjustments	57.9	-1.6	56.3	57.9	-1.6	56.3
Other operating income	5.9		5.9	4.8		4.8
Operating expenses and depreciation	256.2	2.8	259.0	257.0	2.8	259.8
Provisions on lendings etc.	14.6		14.6	14.6		14.6
Value adjustments for affiliated undertakings	0.0	0.0	0.0	1.4		1.4
Result from activities being wound up	2.9		2.9	2.9		2.9
Before-tax profit on ordinary activities	140.4	-2.0	138.4	139.9	-2.0	137.9

*A summary of the official format of the Danish Financial Supervisory Authority

Trading income comprises primary transactions in securities, foreign exchange and the money market, including returns from associated holdings and after funding costs. Income from holdings comprises the return on the bank's own holdings, including associated holdings, after funding and operating costs.

Balance sheet by business segments

Balance sheet as at 30.06.2007 (DKK m.)	Fionia Bank A/S Group		Fionia Bank A/S			
	Basic incl. Holdings trading	Total	Basic incl. Holdings trading	Total		
Assets:						
Cash in hand, lendings and credit balances at credit institutions and central banks	22,971.1	22,971.1	22,971.1	22,971.1	22,971.1	
Bonds at fair value	2,930.2	1,365.5	4,295.7	2,930.2	1,365.5	4,295.7
Shares and investments in affiliated undertakings, etc.	481.8	286.9	768.7	585.4	286.9	872.3
Other assets	304.1	19.5	323.6	304.0	19.5	323.5
Other assets, total	294.0		294.0	190.7		190.7
Total	26,981.2	1,671.9	28,653.1	26,981.4	1,671.9	28,653.3
Liabilities and shareholders' funds:						
Debts to credit institutions, central banks and deposits, total *	21,413.5		21,413.5	21,416.5		21,416.5
Other liabilities	3,270.7	11.5	3,282.2	3,270.1	11.5	3,281.6
Other liabilities, total	2,051.5		2,051.5	2,050.0		2,050.0
Minority interests	0.5		0.5	0.0		0.0
Equity	1,905.3		1,905.3	1,905.3		1,905.3
Total	28,641.6	11.5	28,653.1	28,641.8	11.5	28,653.3

* Including both core and holdings

Balance sheet as at 30.06.2006

(DKK m.)

Assets:						
Cash in hand, lendings and credit balances at credit institutions and central banks	17,870.4		17,870.4	17,870.4		17,870.4
Bonds at fair value	3,516.9	2,465.3	5,982.2	3,516.9	2,465.3	5,982.2
Shares and investments in affiliated undertakings, etc.	340.7	206.6	547.3	418.7	206.6	625.3
Other assets	508.2	39.7	547.9	508.0	39.7	547.7
Other assets, total	1,443.3		1,443.3	1,368.8		1,368.8
Total	23,679.4	2,711.6	26,391.0	23,682.8	2,711.6	26,394.4
Liabilities and shareholders' funds:						
Debts to credit institutions, central banks and deposits, total *	20,756.6		20,756.6	20,761.9		20,761.9
Other liabilities	2,642.7	8.7	2,651.4	2,642.6	8.7	2,651.3
Other liabilities, total	1,401.7		1,401.7	1,400.0		1,400.0
Equity	1,581.3		1,581.3	1,581.3		1,581.3
Total	26,382.3	8.7	26,391.0	26,385.7	8.7	26,394.4

* Including both core and holdings

Notes

(DKK m.)	Fionia Bank A/S Group		Fionia Bank A/S	
	30.06.2007	30.06.2006	30.06.2007	30.06.2006
Note				
1. Interest income				
Credit balances at credit institutions and central banks	73.2	40.3	73.2	40.3
Lendings and other receivables	542.3	358.0	542.3	358.0
Bonds	53.8	56.1	53.8	56.1
Derivatives, total	9.9	9.0	9.9	9.0
Foreign exchange contracts	9.5	11.7	9.5	11.7
Interest rate contracts	0.5	-2.7	0.5	-2.7
Other interest income	0.0	0.0	0.0	0.0
Total interest income	679.1	463.4	679.1	463.4
<i>of which is income from actual purchase and resale transactions recognised under credit balances at credit institutions and central banks</i>	<i>37.8</i>	<i>24.9</i>	<i>37.8</i>	<i>24.9</i>
<i>Lendings and other receivables</i>	<i>0.2</i>	<i>0.4</i>	<i>0.2</i>	<i>0.4</i>
2. Interest expenses				
Credit institutions and central banks	153.7	119.3	153.7	119.3
Deposits and other liabilities	197.0	95.3	197.2	95.4
Bonds issued	20.1	0.0	20.1	0.0
Subordinated debt	21.7	14.7	21.7	14.7
Other interest expenses	0.6	0.3	0.6	0.3
Total interest expenses	393.1	229.7	393.3	229.8
<i>of which is interest expenses from actual sale and repurchase contracts recognised under credit institutions and central banks</i>	<i>10.7</i>	<i>20.9</i>	<i>10.7</i>	<i>20.9</i>
<i>Deposits and other liabilities</i>	<i>0.0</i>	<i>0.4</i>	<i>0.0</i>	<i>0.4</i>
3. Fees and commissions income:				
Securities trading and deposit fees	64.6	56.1	64.6	56.1
Payment handling	13.4	14.3	13.4	14.3
Loan fees	10.7	16.1	10.7	16.1
Guarantee commissions	18.9	19.1	18.9	19.1
Other fees and commissions	12.0	4.0	12.0	4.0
Total fees and commissions	119.6	109.7	119.6	109.7
4. Value adjustments				
Other lendings and receivables at fair value	-0.5	-1.1	-0.5	-1.1
Bonds	7.6	-13.3	7.6	-13.3
Shares etc. at trading	32.0	3.8	32.0	3.8
Share at fair value	6.6	6.9	6.6	6.9
Foreign currency	-21.3	5.3	-21.3	5.3
Foreign exchange, interest rate, equities, commodities and other contracts and derivatives	33.4	34.6	33.4	34.6
Assets relating to investment pool schemes	28.3	-4.2	28.3	-4.2
Deposits in investment pool schemes	-28.3	4.2	-28.3	4.2
Other assets	1.8	3.9	1.8	3.9
Other liabilities	-20.6	16.2	-20.6	16.2
Total value adjustments	39.1	56.3	39.1	56.3

Notes

	Fionia Bank A/S Group		Fionia Bank A/S	
(DKK m.)	30.06.2007	30.06.2006	30.06.2007	30.06.2006
Note				
5. Staff and administration expenses				
Wages and salaries and compensation to Board, management and Committee of Shareholders				
Management	1.6	1.6	1.6	1.6
Board of Directors	0.7	0.6	0.7	0.6
Committee of shareholders	0.3	0.3	0.3	0.3
Total	2.7	2.5	2.7	2.5
Staff expenses				
Wages and salaries	129.5	116.7	127.6	115.9
Pensions	14.5	13.6	14.3	13.6
Social security expenses	14.7	13.1	14.7	13.1
Total	158.7	143.4	156.5	142.6
Other administration expenses	118.8	102.9	118.4	105.4
Total staff and administration expenses	280.2	248.9	277.6	250.5
Pension liabilities - management (present and past members of management)	19.6	19.8	19.6	19.8
6. Provisions on lendings and receivables, etc.				
Provisions for the period (net)	19.2	-0.6	19.2	-0.6
Losses not covered by provisions/allocations	4.2	21.6	4.2	21.6
Amount received on receivable previously written off	-4.6	-6.4	-4.6	-6.4
Other allocations	-13.6	0.1	-13.6	0.1
Recognised in the Profit and Loss Account	5.2	14.7	5.2	14.7
Total provisions/allocations as at 01.01.	286.0	368.5	286.0	368.5
Provisions for the period	19.2	-0.6	19.2	-0.6
Losses already covered by provisions/allocations	52.6	25.4	52.6	25.4
Adjustment relating to interest-rate discounting	7.2	8.7	7.2	8.7
Total provisions/allocations as at 30.06.	259.8	351.2	259.8	351.2
Provisions on loans	254.2	344.8	254.2	344.8
Provisions for guarantees	5.6	6.4	5.6	6.4
Total provisions/allocations as at 30.06.	259.8	351.2	259.8	351.2
Individual provisions on loan as at 01.01.	169.8	112.1	169.8	112.1
Provisions for the period	50.3	34.1	50.3	34.1
Reversal provisions from previous financial years	27.6	29.6	27.6	29.6
Losses already covered by provisions/allocations	52.6	25.4	52.6	25.4
Adjustment relating to interest-rate discounting	2.5	2.6	2.5	2.6
Individual provisions on loan as at 30.06.	142.4	93.8	142.4	93.8
Individual provisions for loss on guarantees as at 01.01.	7.4	6.8	7.4	6.8
Provisions for the period	1.1	0.0	1.1	0.0
Reversal provisions from previous financial years	2.9	0.4	2.9	0.4
Individual provisions for loss on guarantees as at 30.06.	5.6	6.4	5.6	6.4
Portofolie provisions on loan as at 01.01.	108.8	249.5	108.8	249.5
Provisions for the period	57.4	6.1	57.4	6.1
Reversal provisions from previous financial years	59.1	10.8	59.1	10.8
Adjustment relating to interest-rate discounting	4.7	6.1	4.7	6.1
Portofolie provisions on loan as at 30.06.	111.8	250.9	111.8	250.9

Notes

Fionia Bank A/S Group Fionia Bank A/S

(mio.) 30.06.2007 30.06.2006 30.06.2007 30.06.2006

7. Allocations for liabilities

Allocations pensions and similar liabilities	19.6	19.4	19.6	19.4
Allocations for losses on guaranties	5.7	6.4	5.7	6.4
Allocations for other liabilities	3.6	8.4	3.5	8.4
Total allocations for liabilities	28.9	34.2	28.8	34.2

8. Subordinated debt

Tier 2 capital				
DKK nom. 50,000,000 var. interest rate, maturity 08.12.2011 *	50.0	50.0	50.0	50.0
DKK nom. 100,000,000 var. interest rate, maturity 29.10.2012 *	100.0	100.0	100.0	100.0
DKK nom. 150,000,000, var. interest rate, maturity 16.11.2014*	150.0	0.0	150.0	0.0
EUR nom. 30,000,000 var. interest rate, maturity 29.10.2013*	223.3	223.8	223.3	223.8
EUR nom. 10,000,000 var. interest rate, maturity 31.03.2015*	74.4	0.0	74.4	0.0

* Early redemption possible on coupon date 3 years before the specified contractual maturity date.

Hybrid core capital				
DKK nom. 200,000,000 4.85%, perpetual	179.1	184.5	179.1	184.5
DKK nom. 100,000,000 var. interest rate, perpetual	100.0	100.0	100.0	100.0
Total subordinated capital investments	876.8	658.3	876.8	658.3

Information on subordinated debt taken up during the year:

Costs on uptake	0.1	0.0	0.1	0.0
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9. Contingent liabilities

Guarantees, etc.				
Finance guarantees	2,377.8	2,343.9	2,377.8	2,343.9
Loss guarantees for mortgage lendings	1,401.5	1,265.9	1,401.5	1,265.9
Other guarantees	1,272.5	1,083.3	1,272.5	1,083.3
Total guarantees	5,051.8	4,693.1	5,051.8	4,693.1

Other contingent liabilities

Settlement commitment with Danish Securities Centre	5.0	5.2	5.0	5.2
Lessor's commitments	26.1	28.7	60.3	70.3
Leasing commitments for office machinery	1.0	1.6	1.0	1.6
Leasing commitments for cars	0.1	0.2	0.0	0.0
Other	9.0	12.5	9.0	12.5

10. Pledges

Lodged as security for settlements, clearing, etc.
at the Danish central bank and foreign credit institutions
are bonds and shares for nom.:

	541.9	1,694.2	541.9	1,694.2
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Notes

(DKK m.)

Note

Fionia Bank continually hedges its interest rate risk on fixed-interest assets and liabilities. Lendings are hedged in groups. Hedges are term-based, over the entire term of the loans. The future effectiveness of the hedge is monitored on an ongoing basis.

Deposits and lendings are hedged back-to-back.

The historical effectiveness of hedges is measured quarterly.

Changes in the value of hedged assets and liabilities is recognised under the relevant balance sheet item, and posted to the income statement under value adjustments.

		30.06.2007		30.06.2006	
		Derivative instrument		Derivative instrument	
		Interest rateswaps		Interest rateswaps	
Hedged assets and liabilities items					
Fixed-interest lendings:					
Book value	23.7		39.4		
Nominal value	24.0	10.0	39.1	60.0	
Market value *	24.0	-0.2	39.9	-1.2	
Hedged liabilities items					
Subordinated debt:					
Book value	179.3		184.5		
Nominal value	200.0	200.0	200.0	200.0	
Market value *	180.5	-19.7	185.9	-14.1	
Fixed-interest deposits:					
Book value	0.0		162.0		
Nominal value	0.0	0.0	160.7	170.0	
Market value *	0.0	0.0	166.7	5.7	

*Market values are calculated including accrued interest but excluding amortisation of initial values and premiums/discounts.

Cash flow statement

Fionia Bank A/S Group

(DKK m.)

30.06.2007 30.06.2006

Operating activity

Profit for the period	129.3	100.1
Adjustment for non-cash items:		
Provisions on lendings etc., net	5.2	14.6
Amortisation and depreciation on intangible and tangible assets	5.8	4.1
Prepayments and deferred income (net)	-3.0	-3.4
Allocations for expenses	-27.3	-6.6
Tax	42.0	38.3
Tax paid	-45.6	-25.0
	106.4	122.1

Working capital

Credit institutions (net)	-1,907.0	23.8
Lendings adjusted for provisions for the period	-1,983.0	-1,544.0
Financial current assets	2,587.3	-324.6
Temporarily held assets	0.0	2.7
Other assets and other liabilities (net)	-220.8	189.6
Deposits	2,602.7	1,156.0
Deposits in investment pools, net	-125.1	-47.0

Cash flows from operating activities	1,060.4	-421.4
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Investment activities

Purchase/sale of shares in associated compaies	-0.3	0.0
Purchase/sale of tangible fixed assets	-14.5	-7.1

Cash flows from investment activities	-14.8	-7.1
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Financing activities

Subordinated debt, inflow	74.4	100.0
Subordinated debt, outflow	-7.8	-122.4
Bonds issued	485.7	656.3
Purchase/sale of own shares	3.8	6.1
Dividend payments for previous years	-72.3	-63.2

Cash flows from financing activities	483.8	576.7
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Change in cash flow	1,529.4	148.3
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Cash and cash equivalents beginning of 1st quarter	2,254.8	3,795.0
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* Cash and cash equivalents end of 1st quarter	3,784.2	3,943.3
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Changes in holdings items other than shares include unrealised capital gains.

* Cash and cash equivalents, according to Danish Financial Business § 152, comprise:

Cash in hand and demand credit balances at central banks	156.5	710.8
Bonds at fair value	3,627.7	3,232.5

(DKK m.)	Fionia Bank A/S Group			Fionia Bank A/S		
	1. st half 2007	1. st half 2006	Year 2006	1. st half 2007	1. st half 2006	Year 2006
Solvency						
Tier 1 capital	1,692	1,445	1,760	1,710	1,445	1,779
Proposed dividend	0		73	0		73
Tax assets	13	20	15	14	19	17
Hybrid tier 1 capital	278	252	295	278	252	298
Deductions	46	73	46	46	73	69
Tier 1 capital (including hybrid tier 1 capital) after deductions	1,910	1,604	1,921	1,928	1,605	1,918
Tier 2 capital included	682	458	611	664	458	590
Deductions	46	73	46	46	73	69
Capital base less deductions	2,546	1,989	2,486	2,545	1,990	2,439
Weighted items outside trading portfolio	17,808	13,617	16,035	17,808	13,620	16,039
Below-the-line weighted items	3,602	3,500	3,492	3,602	3,500	3,492
Weighted items with market and counterparty risk	2,838	2,280	1,898	2,838	2,280	1,898
Total weighted items	24,248	19,397	21,425	24,248	19,400	21,429
Total capital adequacy ratio	10.5	10.3	11.6	10.5	10.3	11.4
Tier 1 capital adequacy ratio including hybrid tier 1 capital	7.9	8.3	9.0	7.9	8.3	9.0
<i>(Excl. profit for 1st - 2rd quarter)</i>						

Group overview

Activity	Percent shareholding	Equity as 31.12.2006	Profit for 2006
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Parent entity

Fionia Bank A/S		1844.9	341.8
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Consolidated subsidiaries

Ejendomsselskabet Vestre Stationsvej 7, Odense A/S <i>Registered in Odense municipality</i>	a)	100	103.0	8.2
Cura Management A/S <i>Registered in Gentofte municipality</i>	b)	50	0.2	0.2

a) Leasing

b) Consultancy & Property management

Fionia Bank group 5 years highlights and key indicators

	1. st half 2007	1. st half 2006	1. st half 2005	1. st half 2004	1. st half 2003
Income statement summary (DKK m.)					
Net interest income	286.1	233.7	242.9	256.3	235.5
Dividends on shares	16.1	11.4	7.7	9.3	14.3
Fees and commissions income (net)	110.4	101.9	88.8	75.1	62.9
Net interest and fees income	412.6	347.0	339.4	340.7	312.7
Value adjustments	39.1	56.2	55.7	-0.6	9.8
Other operating income	10.9	5.9	7.2	22.1	10.2
Result before costs	462.5	409.1	402.3	362.2	332.7
Staff and administration expenses and depreciation	286.0	259.0	222.8	225.6	202.8
Provisions on lendings and receivables, etc.	5.2	14.6	7.1	43.2	43.4
Value adjustment for affiliated undertakings	0.0	0.0	-0.2	0.0	0.0
Result from activities being wound up	0.0	2.9	0.0	0.0	0.0
Before-tax profit on ordinary activities	171.3	138.4	172.2	93.4	86.4
Tax	42.0	38.3	49.1	28.6	26.6
After tax profit	129.3	100.1	123.1	64.8	59.8
Of which minority interests' share	0.4	0	0	0	0
Balance Sheet highlights (DKK million)					
Lendings	18,449	14,274	11,588	9,814	8,442
Deposits incl. deposits in investment pool schemes	13,482	11,743	9,765	8,248	7,936
Subordinated debt	877	658	588	283	282
Equity	1,906	1,581	1,433	1,230	1,161
Balance	28,653	26,391	21,658	18,770	17,515
Solvency and capital:					
Total capital adequacy ratio	10.5	10.3	11.4	9.6	10.3
Tier 1 capital adequacy ratio	7.9	8.6	8.9	8.0	8.6
Earnings:					
Before-tax return on equity on year basis	9.1	8.9	12.3	7.6	7.6
After-tax return on equity on year basis	6.9	6.4	8.8	5.3	5.3
Earnings per DKK of expenses	1.59	1.50	1.75	1.35	1.35
Market risk:					
Interest rate risk	4.3	4.2	3.9	3.7	5.8
Foreign currency position	8.2	5.9	3.3	8.2	8.2
Foreign currency risk	0.1	0.0	0.1	0.1	0.1
Liquidity:					
Lendings plus provisions thereon as a proportion of deposits	138.7	124.5	122.6	124.8	112.0
Surplus cover above statutory liquidity requirement	113.7	143.0	149.9	183.8	246.4
Major exposures:					
Total major exposures	43.9	81.0	82.6	162.9	117.7
Credit risk:					
Cumulative provision percentage	1.1	1.8	2.3	3.6	3.9
Provision percentage for the period	0.1	0.1	0.1	0.3	0.4
Lendings:					
Lendings growth for the year	12.0	12.0	12.6	9.2	-1.3
Lendings as a ratio of equity	9.7	9.0	8.1	8.0	7.3
Av. number of full-time employees	612	559	516	511	518

Comparison figures for 2003 have not been adjusted for the new accounting policies.

The 2004 figures are adjusted in part as per the transitional provisions

Fionia Bank 5 years highlights and key indicators

Income statement summary (DKK m.)	1. st half 2007	1. st half 2006	1. st half 2005	1. st half 2004	1. st half 2003
Net interest income	285.9	233.7	242.8	255.2	231.0
Dividends on shares	16.1	11.4	7.7	9.3	14.3
Fees and commissions income (net)	110.4	101.9	88.8	76.2	63.8
Net interest and fees income	412.4	347.0	339.3	340.7	309.0
Value adjustments	39.1	56.2	55.7	-0.6	9.4
Other operating income	6.5	4.8	7.4	19.5	7.7
Result before costs	457.9	408.0	402.4	359.6	326.1
Staff and administration expenses and depreciation	282.3	259.8	224.8	224.9	202.1
Provisions on lendings and receivables, etc.	5.2	14.6	7.1	43.2	43.6
Value adjustment for affiliated undertakings	0.5	1.4	1.7	1.8	6.0
Result from activities being wound up	0.0	2.9	0.0	0.0	0.0
Before-tax profit on ordinary activities	171.0	137.9	172.2	93.4	86.4
Tax	42.0	37.8	49.1	28.6	26.6
After tax profit	128.9	100.1	123.1	64.8	59.8
Balance Sheet highlights (DKK million)					
Lendings	18,449	14,274	11,588	9,814	8,471
Deposits incl.deposits in investment pool schemes	13,485	11,748	9,777	8,292	7,975
Subordinated debt	877	658	588	283	282
Equity	1,905	1,581	1,433	1,230	1,161
Balance	28,653	26,394	21,669	18,770	17,549
Solvency and capital:					
Total capital adequacy ratio	10.5	10.3	11.4	9.6	10.3
Tier 1 capital adequacy ratio	7.9	8.6	8.9	8.0	8.5
Earnings:					
Before-tax return on equity on year basis	9.1	8.8	12.3	7.6	7.6
After-tax return on equity on year basis	6.9	6.4	8.8	5.3	5.3
Earnings per DKK of expenses	1.59	1.50	1.75	1.35	1.35
Market risk:					
Interest rate risk	4.2	4.2	3.9	3.7	5.8
Foreign currency position	8.2	5.9	3.3	8.2	8.2
Foreign currency risk	0.2	0.1	0.1	0.1	0.1
Liquidity:					
Lendings plus provisions thereon as a proportion of deposits	138.7	124.4	122.4	124.6	111.8
Surplus cover above statutory liquidity requirement	113.7	143.0	149.9	183.7	244.0
Major exposures:					
Total major exposures	43.9	81.0	82.6	162.8	117.7
Credit risk:					
Cumulative provision percentage	1.1	1.8	2.3	3.6	3.9
Provision percentage for the period	0.1	0.1	0.1	0.3	0.4
Lendings:					
Lendings growth for the period	12.0	12.0	12.6	9.2	-0.5
Lendings as a ratio of equity	9.7	9.0	8.1	8.0	7.3
Av. number of full-time employees	609	557	514	511	518
Key indicators share (DKK per share of DKK 100)					
Before-tax profit	94.7	76.3	95.4	51.8	47.6
After tax profit	71.4	55.4	68.2	35.9	32.9
Diluted earnings per share after tax	71.4	55.4	68.2	35.9	32.9
Share price at end of year	1,715	1,384	1,225	735	628
NAV per share	1,055	874	795	684	640
Share price/NAV per share	1.63	1.58	1.54	1.08	0.98

Comparison figures for 2003 have not been adjusted for the new accounting policies.

The 2004 figures are adjusted in part as per the transitional provisions